

DEPARTMENT OF AGRICULTURE

AGENCY: Natural Resources Conservation Service, Commodity Credit Corporation

ACTION: NOTICE

NRCS New Mexico Conservation Innovation Grants Fiscal Year (FY) 2012 Announcement for Program Funding

Catalog of Federal Domestic Assistance (CFDA) Number: 10.912

SUMMARY: The USDA Natural Resources Conservation Service (NRCS), New Mexico State Office, hereby announces availability of the New Mexico State Component of the Conservation Innovation Grants (CIG) to stimulate on-the-ground adoption of innovative conservation approaches and technologies. Applications for the state component are accepted from applicants in New Mexico. NRCS anticipates that the amount available for support of this program in FY 2012 will be approximately \$150,000. Applications are requested from eligible governmental or non-governmental organizations or individuals for competitive consideration of grant awards for projects between 1 and 3 years in duration.

This notice identifies the objectives for CIG projects, the eligibility criteria for projects, and provides the instructions needed to apply to CIG. Applications will be screened for completeness and compliance with the provisions of this notice. Incomplete applications will be eliminated from competition, and notification of elimination will be mailed to the applicant.

DATES: Applications must be received at the New Mexico state office by 4 p.m. Mountain Standard Time (EST), on **June 06, 2012**.

Notification of selected applications will be announced after all **national** CIG selections have been made, currently expected to be in July, 2012.

ADDRESSES: The address for hand-delivered, express mail or overnight courier service for applications is: Department of Agriculture, Natural Resources Conservation Service ATTN: Seth Fiedler, 6200 Jefferson St NE, Albuquerque, NM 87109-3434. The contact phone number for hand-delivered pre-proposals and applications (needed to enter Building) is: (505) 761-4400.

For more information contact:

Seth Fiedler
New Mexico CIG Program Manager
Department of Agriculture, Natural Resources Conservation Service
6200 Jefferson St NE
Albuquerque, NM 87109
Phone: (505) 761-4416
Email: seth.fiedler@nm.usda.gov

SUPPLEMENTARY INFORMATION

I. FUNDING OPPORTUNITY DESCRIPTION

A. Legislative Authority

The Conservation Innovation Grants (CIG) was authorized as part of the Environmental Quality Incentives Program (EQIP) [16 U.S.C. 3839aa-8] under Section 2509 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246). The Secretary of Agriculture delegated the authority for the administration of EQIP and CIG to the Chief of the Natural Resources Conservation Service (NRCS), who is Vice President of the Commodity Credit Corporation (CCC). EQIP is funded and administered by NRCS under the authorities of the CCC.

B. Overview

The purpose of CIG is to stimulate on-the-ground adoption of innovative conservation approaches and technologies, while leveraging the Federal investment in environmental enhancement and protection in conjunction with agricultural production. CIG state projects are expected to lead to the transfer of conservation technologies and management systems into NRCS policy, technical manuals, guides, and references or to the private sector. CIG does not fund research projects. CIG is to apply proven technology which has been shown to work previously. It is a vehicle to stimulate the development and adoption of conservation approaches or technologies that have been studied sufficiently to indicate a likelihood of success, and to be candidates for eventual technology transfer or institutionalization. CIG promotes sharing of skills, knowledge, technologies, and facilities among communities, governments, and other institutions to ensure that scientific and technological developments are accessible to a wider range of users. CIG funds projects targeting innovative on-the-ground conservation, including pilot projects and field demonstrations.

NRCS will accept applications for single or multi-year projects, not to exceed 3 years, submitted from eligible entities including federally recognized Indian tribes, State and local units of government, and non-governmental organizations and individuals.

Criteria for Application Evaluation identified in the application instructions in this package.

NRCS will utilize a team review process, with final project selections to be made by the state conservationist.

C. Innovative Conservation Projects or Activities

For the purposes of CIG, the proposed innovative project or activity must encompass the development, field testing, evaluation, implementation, and monitoring of:

- a. Conservation adoption approaches or incentive systems, including market-based systems; or
- b. Promising conservation technologies, practices, systems, procedures, or approaches; and

- c. Environmental soundness with goals of environmental protection and natural resource enhancement.

To be given priority consideration, the innovative project or activity should:

- a. Make use of a proven technology or a technology that has been studied sufficiently to indicate a high probability for success;
- b. Demonstrate and verify environmental (soil, water, air, plants, energy use, and animal) effectiveness, utility, affordability, and usability of conservation technology in the field;
- c. Adapt conservation technologies, practices, systems, procedures, approaches, and incentive systems to improve performance and encourage adoption;
- d. Introduce conservation systems, approaches, and procedures from another geographic area or agricultural sector; and
- e. Adapt conservation technology, management, or incentive systems to improve performance; and
- f. Demonstrate transferability of knowledge.

D. New Mexico State Component

For FY 2012, applications must demonstrate benefits in one or more of the following categories:

- 1. *Energy*
- 2. *Productivity and Environmental Health of Pastureland or Rangeland*
- 3. *Productivity and Environmental Health of Forestland*
- 4. *Promotion of Sustainable Agriculture*
- 5. *Soil Quality*
- 6. *Nutrient Management*
- 7. *Pest Management*
- 8. *Air Quality and Atmospheric Resource*
- 9. *Sustainable and Organic Agriculture*
- 10. *Pollinator Habitat*

II. FUNDING AVAILABILITY

A. State Component

For FY 2012, State Components of CIG may be available as determined by each State Conservationist or Director. In New Mexico, an initial allocation of \$150,000 has been set aside to support CIG. Additional funding may be added if a large number of applications are received. Individual grants awarded under the state competition shall not to exceed \$75,000.

The intent of the State Component is to target CIG funds to individual producers and smaller organizations that may possess promising innovations, but may not compete well on the larger scale of the national grants competition.

III. ELIGIBILITY INFORMATION

CIG applicants must be a Federally recognized Indian tribe, State or local unit of government, non-governmental organization, or individual.

A. **Matching Funds**

Selected applicants may receive CIG grants of up to 50 percent of the total project cost. The recipient is required to match the USDA funds awarded on dollar-for-dollar basis from non-Federal sources with cash and in-kind contributions. Of the applicant's required match (50%), a minimum of 25 percent of the total project cost must come from cash sources; the remaining 25 percent may come from in-kind contributions.

In-kind costs of equipment or project personnel cannot exceed 50 percent of the applicant's match (except in the case of projects carried out by either a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe or a community-based organization comprised of or representing these entities). The remainder of the match must be provided in cash.

Matching funds must be secured at time of application. Applications should include written verification of commitments of matching support (including both cash and in-kind contributions) from third parties. Additional information about matching funds can be found at the following link: 2 CFR 215.

B. **Beginning or Limited Farmers or Ranchers or Indian Tribes**

For the FY 2012 grant award process, up to 10 percent of the total funds available for CIG may be set-aside for applications from Beginning Farmer or Ranchers, Limited Resource Farmers or Ranchers, or Indian tribes or community-based organizations comprised of or representing these entities. Up to three-fourths of the applicant's required matching funds (up to 37.5 percent of the total project cost) may derive from in-kind contributions. This exception is intended to help Beginning Farmers or Ranchers, Limited Resource Farmers or Ranchers, and Indian tribes meet the statutory requirements for receiving a CIG.

In order to qualify for higher in kind ratio described above, applicant must make a declaration in the application as described in Part IV.1.h in this notice. Below are definitions of Beginning Farmer or Rancher and Limited Resource Producer. Definitions can also be found at: <http://www.lrftool.sc.egov.usda.gov/>

1. ***Beginning Farmer or Rancher*** - a person or legal entity who:
 - a. Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years. This requirement applies to all members of an entity who will materially and substantially participate in the operation of the farm or ranch;

- b. In the case of a contract with an individual, individually, or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch consistent with the practices in the county or State where the farm is located; and
 - c. In the case of a contract with an entity or joint operation, all members must materially and substantially participate in the operation of the farm or ranch. Material and substantial participation requires that each of the members provide some amount of the management or labor and management necessary for day-to-day activities, such that if each of the members did not provide these inputs, operation of the farm or ranch would be seriously impaired.
- 2. ***Limited Resource Farmer or Rancher -***
 - a. A person with direct or indirect gross farm sales not more than \$155,200 in each of the previous 2 years (adjusted for inflation using Prices Paid by Farmer Index as compiled by National Agricultural Statistical Service); and
 - b. Has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income in each of the previous 2 years (to be determined annually using Department of Commerce data).
- 3. ***Socially Disadvantaged Farmer or Rancher -*** Farmers or ranchers who have been subjected to racial or ethnic prejudices because of their identity as a member of a group without regards to their individual qualities. Those groups include African Americans, American Indians or Alaska natives, Hispanics, Asians, and native Hawaiians or Pacific Islanders.

C. EQIP Payment Limitation and Duplicate Payments

Section 1240G of the Food Security Act of 1985, 16 U.S.C. 3839aa-7, imposes a \$300,000 limitation for all cost-share or incentive payments disbursed to individuals or entities under an EQIP contract between fiscal years 2008 and 2012. The limitation applies to CIG in the following manner:

- 1. CIG funds are awarded through grant agreements. These grant agreements are not EQIP contracts; thus, CIG awards in and of themselves are not limited by the payment limitation.
- 2. Direct or indirect payments made to an individual or entity using funds from a CIG award to carry out structural, vegetative, or management practices count toward each individual's or entity's EQIP payment limitation. Through project progress reports, CIG grantees are responsible for certifying that producers involved in CIG projects do not exceed the payment limitation. Further, all direct and indirect payments made to producers using CIG funds must be reported to the NRCS CIG program manager in the semi-annual report. Direct or indirect payments cannot be

made for a practice for which the producer has already received funds, or is contracted to receive funds through any USDA programs (EQIP, Agricultural Management Assistance, Conservation Security Program, Conservation Stewardship Program, Wildlife Habitat Incentive Program, etc.) since this would be considered a duplicate payment.

D. Project Eligibility

To be eligible for CIG, projects must involve landowners who meet the EQIP eligibility requirements as set forth in 16 USC 3839aa-1. Further, all agricultural producers receiving direct or indirect payments through participation in a CIG project must also meet the EQIP eligibility requirements. Additional information regarding EQIP eligibility requirements can be found at: <http://www.nrcs.usda.gov/programs/eqip/>. Participating producers are not required to have an EQIP contract.

A person or legal entity will not be eligible to receive any benefit during a crop, fiscal, or program year, as appropriate, if the average adjusted gross non-farm income of the person or legal entity exceeds \$1,000,000, unless not less than 66.66 percent of the average adjusted gross income of the person or legal entity is average adjusted gross farm income.

A person who is determined ineligible for USDA program benefits under the Highly Erodible Land Compliance and Wetland Compliance provisions of the Food Security Act of 1985 will not be eligible to receive direct or indirect payments through CIG.

Technologies and approaches that are eligible for funding in a project's geographic area through EQIP are ineligible for CIG funding except where the use of those technologies and approaches demonstrates clear innovation. The burden falls on the applicant to sufficiently describe the innovative features of the proposed technology or approach (applicants should reference the appropriate State's EQIP Eligible Practices List by contacting the NRCS State office).

The grantee is responsible for providing the technical assistance required to successfully implement and complete the project. NRCS will designate a Program Contact, Administrative Contact, and Technical Contact to provide oversight for each project receiving an award.

Proposals which do not demonstrate a clear benefit to one or more EQIP eligible producer, and identify beneficiaries in sufficient detail, may be eliminated from consideration.

IV. APPLICATION and SUBMISSION INFORMATION

A. FULL PROPOSAL

All Office of Management and Budget standard forms necessary for CIG submission are posted on the following web site:

http://www.grants.gov/agencies/aapproved_standard_forms.jsp. The following sections must be followed, or applications may be rejected as being "non-responsive."

1. Content and Format

Applications are required to contain the content, format, and information set forth below in order to receive consideration for funding. Applicants should not assume prior knowledge on the part of NRCS or others as to the relative merits of the project described in the application. Applicants must submit one original copy of the application in the following format:

- i. Applications should be typewritten or printed on 8½" x 11" white paper. The text of the application should be in a font no smaller than 12-point, single-spaced, single-sided, with one-inch margins and page numbered.
- ii. Applications that fail to comply with the required content and format will not be considered for funding.

Applications must include all required forms and narrative sections described below. Incomplete applications will not be considered.

- a. **Proposal Cover Sheet:** (Standard Form 424 Application for Federal Assistance) Applicants must use this document as the cover sheet for each project application. Standard Form 424 can be downloaded from Grants.gov-Forms.
- b. **Project Description:** The description must include the following information and is limited to 10 pages in length. Pages in excess of the 10-page limit will be discarded and not evaluated. Bibliography, resumes, and references will be included in the page count for the project page limit.
 - i. Project background: Describe the history of, and need for, the proposed innovation. Provide evidence that the proposed innovation has been studied sufficiently to indicate a good probability for success of the project.
 - ii. Project objectives: Be specific using qualitative and quantitative measures, if possible, to describe the project's purpose and goals. Describe how the project is innovative.
 - iii. Project methods: Describe clearly the methodology of the project and the tools or processes that will be used to implement the project.
 - iv. Location and size of project or project area: Describe the location of the project and the relative size and scope (e.g., acres, farm types and demographics, etc.) of the project area. Provide a map, if possible.
 - v. Producer participation: Estimate the number of producers involved in the project, and describe the extent of their involvement (all producers involved in the project must be eligible for EQIP).

- vi. Project action plan and timeline: Provide a table listing project actions, timeframes, and associated milestones through project completion.
 - vii. Project management: Give a detailed description of how the project will be organized and managed. Include a list of key project personnel, their relevant education or experience, and their anticipated contributions to the project. Explain the level of participation required in the project by government and non-government entities. Identify who will participate in monitoring and evaluating the project.
 - viii. Project deliverables/products: Provide a list of specific deliverables and products that will allow NRCS to monitor project progress and payment. In addition to specific deliverable, applications must include the following activities as deliverables:
 - 2. Semi-annual reports
 - 3. Supplemental narratives to explain and support payment requests
 - 4. Final report
 - 5. Performance items specific to the project that indicate progress [A thorough list and explanation of measurable performance items specific to the project will be used in the technical evaluation (refer to “CIG Technical Evaluation Criteria”)]
 - 6. New technology and innovative approach fact sheet
 - 7. Participation in at least one NRCS CIG Showcase or comparable NRCS event during the period of the grant
 - ix. Benefits or results expected and transferability: Identify the results and benefits to be derived from the proposed project activities, and explain how the results will be measured. Identify project beneficiaries, i.e., agricultural producers by type, region, or sector; rural communities; and municipalities. Explain how these entities will benefit. In addition, describe how results will be communicated to others via outreach activities.
 - x. Project evaluation: Describe the methodology or procedures to be followed to evaluate the project, determine technical feasibility, and quantify the results of the project for the final report. Grant recipients will be required to provide a semi-annual progress report, quarterly financial reports, and a final project report to NRCS. Instructions for submitting quarterly reports will be detailed in the grant agreement.
- c. **Assessment of Environmental and Social Impacts**: Describe and assess the anticipated environmental effects of the proposed project. The description of the potential environmental and social impacts must address all potential beneficial and adverse impacts of the proposed action. A full description and assessment of the potential impacts to all environmental resources must be disclosed. One line or short descriptions of

environmental impacts are not acceptable. The length of the analysis should be commensurate with the complexity of the project proposed and the environmental resources impacted either directly, indirectly (later in time), or cumulatively. Where possible, information on environmental impacts should be quantified, such as number of acres of wetlands impacted, amount of carbon sequestration estimated, etc. Environmental resources include soil, water, air, plants, and animals, as well as other specific resources protected by law, Executive Order, and agency policy. These resources are outlined in the NRCS Environmental Evaluation Worksheet, form NRCS-CPA-52, which is available at: [NRCS-CPA-52](#). The CPA-52 form can be used as a guide for the scope of environmental information that should be prepared for this section of the application. In addition to describing impacts, applicants are required to assess the significance or degree of potential environmental impact of the proposed project on environmental resources. Applicants may consult with the NRCS Environmental Liaison concerning the scope of what should be addressed in this section of the application. A list of the Environmental Liaisons can be found on the following web site: [Environmental Liaison](#)

- i. *Note: Please be aware that applications for projects with potentially adverse impacts may need to be modified in order to achieve acceptable and beneficial levels of environmental impact. If projects cannot be modified, then there is a potential during the screening process that the application may not be selected.*
- d. **DUNS Number:** A Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number is a unique nine-digit sequence recognized as the universal standard for identifying and keeping track of over 70 million business worldwide. CIG applicants must obtain a DUNS Number. Information on how to obtain a DUNS number can be found at <http://www.grants.gov/RequestaDUNS> or by calling 1-866-705-5711. Please note that the registration may take up to 14 business days to complete.
- e. **Central Contractor Registry (CCR) Registration:** The CCR is a database that serves as the primary government repository for contractor information required for the conduct of business with the government. This database is also used as a central location for maintaining organizational information for organizations seeking and receiving grants from the government. CIG applicants must register with the CCR. To register, go to <http://www.ccr.gov>. Allow a minimum of 5 days to complete the CCR registration.
- f. **Budget Information:** Standard Form (SF) 424A Budget Information Non-Construction Programs) Applicants must prepare this document to identify budget needs. The SF-424A is available at: [Grants.gov-Forms](#) or can be obtained from a NRCS State office. For standard grant applications, a budget form is required for each year of requested support. In addition, a

cumulative budget is required detailing the requested total support for each year and for the overall project period. The budget form may be reproduced as needed by applicants. Funds may be requested under any of the categories listed on the form, provided that the item or service for which support is requested is allowable under the authorizing legislation, the applicable statutes, regulations, Federal cost principles, and NRCS program guidelines and can be justified, as necessary, for the successful conduct of the proposed project. Applicants must also include a budget narrative to justify their budget requests (see "e" below). If claiming indirect costs, the applicant must provide an indirect cost rate agreement or indirect cost rate proposal as justification for the rate of indirect costs being claimed. Indirect costs are based on total Federal funds awarded and cannot exceed 15 percent.

- g. **Budget Narrative (maximum 9 pages):** In addition to the SF-424A, all applicants must provide a detailed narrative in support of the budget for the project, broken down by each project year. All budget categories for which support is requested must be individually listed (with costs) in the same order as the budget (SF-424A) and justified on a separate sheet of paper and placed immediately behind the Budget Form (SF-424A). Discuss how the budget specifically supports the proposed activities. Explain how budget items such as personnel, travel, equipment, etc. are essential to achieving project objectives. List all position titles and salaries, description of fringe, travel, supplies, list equipment and cost and list other cost items. Justify the project cost effectiveness and include justification for personnel and consultant salaries such as resumes and description of duties. In addition to the information above, the subcontractors and consultants must also submit a statement of work. A budget narrative is also required for the matching portion.
- h. **Matching:** Applications must include written verification of commitments of matching support (including both cash and in-kind contributions) from third, non-federal parties.

- i. Cash Match

For any third party cash contributions, a separate pledge agreement is required for each donation, signed by the authorized organizational representative of the donor organization and the applicant organization, which must include: (1) the name, address, and telephone number of the donor, (2) the name of the applicant organization, (3) the title of the project for which the donation is made, (4) the dollar amount of the cash donation, and (5) a statement that the donor will pay the cash contribution during the grant period.

- ii. In-Kind Match

"In-kind" refers to non-cash contributions of goods or services made by third party individuals or organizations to support projects. Examples of in-kind include work done by unpaid volunteers and donations of supplies, facilities, or equipment. In-kind contributions must be necessary to accomplish program activities and are verifiable.

For any third party in-kind contributions, a separate pledge agreement is required for each contribution, signed by the authorized organizational representatives of the donor organization and the applicant organization, which must include: (1) the name, address, and telephone number of the donor, (2) the name of the applicant's organization, (3) the title of the project for which the donation is made, (4) a good faith estimate of the current fair market value of the third party in-kind contribution, and (5) a statement that the donor will make the contribution during the grant period.

The sources and amounts of all matching support from outside the applicant institution must be summarized on a separate page and placed in the application immediately following the summary of matching support (matching support means a budget narrative broken down by year).

The value of applicant contributions to the project will be established in accordance with the applicable cost principles. Applicants should refer to OMB Circulars, Cost Principles that apply to their entity for additional guidance, and other requirements relating to matching and allowable costs.

- i. **Declaration of Previous CIG Projects Involvement:** Identify any previously awarded CIG projects involvement related to this proposal and any of its principal investigators. Detail the purpose, outcomes to date, and how this new proposal relates to the previous award.
- j. **Declaration of Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian Tribe:** If an applicant wishes to take advantage of higher in-kind cost share allowance available to members of these groups, applicants must make a declaration in writing of their status as a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe or a community-based organization comprised of or representing these entities. This declaration is also required in order to be eligible for the in-kind contribution exception.
- k. **Declaration of EQIP Eligibility:** Applicants must include a statement indicating that the proposed project will involve EQIP eligible producers. Applicants must make a declaration in writing that they, or parties involved

in the project, are eligible for EQIP (if EQIP eligible producers are not involved, the proposal will be considered ineligible). The declaration must describe and certify the level of involvement by EQIP eligible producers.

l. **Declaration of Tax Deficiencies: Applicants must complete and include both of the following statements in their application:**

1. By submitting this grant or agreement application, the undersigned attests that [insert name of entity] has not been convicted of a felony criminal violation under Federal or State law in the 24 months preceding the date of signature, nor has any officer or agent of [insert corporation name] been convicted of a felony criminal violation under Federal or State law in the 24 months preceding the date of signature.
2. By submitting this grant or agreement application, the undersigned attests that [insert name of entity] does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

m. **Certifications:** (Standard Form (SF) 424B - Assurances, Non-construction Programs). All applications must include this document. The SF-424B may be found at: Grants.gov-Forms or by contacting the State office. Applicants, by signing and submitting an application, assure and certify that they are in compliance with the following from 7 CFR:

- i. Part 3017, Government wide Debarment and Suspension (Non-procurement)
- ii. Part 3018, New Restrictions on Lobbying
- iii. Part 3021, Government wide Requirements for Drug Free Workplace (Financial Assistance)

2. **How to Submit an Application**

Regardless of method of submission, all applications and supporting materials must be received by close of business by June 06, 2012.

Applicants are strongly encouraged to submit applications electronically via e-mail to sethfiedler@nm.usda.gov. Applicants also have the option of electronic submission via grants.gov or hardcopy application.

Applications submitted electronically must contain all of the elements of a complete package and meet the requirements described above. Instructions for Grants.gov submissions are posted on Grants.gov. Note: NRCS is not responsible for any technical malfunctions or web site problems related to Grants.gov or emailed submissions. Applicants should begin the Grants.gov process or send their email in advance of the submission deadline to avoid problems.

The address for submitting hand-delivered, express mail or overnight courier service applications is:

Department of Agriculture, Natural Resources Conservation Service
Conservation Innovation Grants Program
ATTN: Seth Fiedler
6200 Jefferson St NE
Albuquerque, NM 87109-3434

The contact phone number for hand-delivered applications (needed to enter the USDA South Building) is: (505) 761-4400.

Note: Applicants must submit one signed original copy of each project application. Applications submitted by fax will not be considered.

3. **Due Date**

Applications must be received by NRCS or Grants.gov by 4:00 p.m. MST on **June 06, 2012**. The applicant assumes the risk of any delays in application delivery. Applicants are strongly encouraged to submit completed applications via overnight mail or delivery service to ensure timely receipt by NRCS.

4. **Acknowledgement of Submission**

Applications received by the due date will be acknowledged. Applicants who have not received an acknowledgement within 15 days of the submission should contact the NRCS program contact below. Failure to do so may result in the application not being considered for funding.

CIG Program Contact:

Seth Fiedler
CIG Program Manager
Email: seth.fiedler@nm.usda.gov

5. **Funding Restrictions**

Awardees may not use unrecovered indirect costs as part of their matching funds.

CIG funds may not be used to pay any of the following costs unless otherwise permitted by law, or approved in writing by the Authorized Departmental Officer in advance of incurring such costs:

- m. Costs above the amount of funds authorized for the project;
- n. Costs incurred prior to the effective date of the grant;
- o. Costs which lie outside the scope of the approved project and any amendments thereto;
- p. Entertainment costs, regardless of their apparent relationship to project objectives;
- q. Compensation for injuries to persons, or damage to property arising out of project activities;
- r. Consulting services performed by a Federal employee during official duty hours when such consulting services result in the payment of additional compensation to the employee; and,
- s. Renovation or refurbishment of research or related spaces; the purchase or installation of fixed equipment in such spaces; and the planning, repair, rehabilitation, acquisition, or construction of buildings or facilities.

This list is not exhaustive. Questions regarding the allowances of particular items of cost should be directed to the administrative contact person.

6. **Patents and Inventions**

Allocation of rights to patents and inventions shall be in accordance with USDA regulation 7 CFR §3019.36. This regulation provides that small businesses normally may retain the principal worldwide patent rights to any invention developed with USDA support. In accordance with 7 CFR §3019.2, this provision will also apply to commercial organizations for the purposes of CIG. USDA receives a royalty-free license for Federal Government use, reserves the right to require the patentee to license others in certain circumstances, and requires that anyone exclusively licensed to sell the invention in the United States must normally manufacture it domestically.

7. **Environmental Review Requirements**

The Council on Environmental Quality's National Environmental Policy Act (NEPA) regulations at 40 CFR parts 1500-1508 and the NRCS regulation that implements NEPA at 7 CFR part 650 require that an environmental review be prepared for actions where the agency has discretion and control. Accordingly, NRCS financial assistance under the CIG program requires compliance with these regulations. As part of the application packet, applicants are required to provide environmental information pertaining to their project to help NRCS determine the appropriate documentation required to comply with NEPA and NRCS regulations. If the application is selected for funding, the NRCS Program Contact and NRCS Environmental Liaison will coordinate with the selected applicant concerning

documentation for compliance with NEPA. The selected applicant will be required to prepare and pay for the preparation of the appropriate NEPA document (e.g., Environmental Assessment or Environmental Impact Statement if required for NEPA compliance). Grant funding cannot be approved until the environmental review requirements demonstrating compliance with NEPA are met.

8. Withdrawal

Applications may be withdrawn by written notice at any time before selections are made. Applications may be withdrawn by the applicant, or by an authorized representative thereof, if the representative's identity is made known and the representative signs a receipt for the application.

V. APPLICATION REVIEW INFORMATION

A. Review and Selection Process

There are three steps in evaluating CIG proposals. Proposals will be evaluated for completeness, and responsiveness to proposal requirements by NRCS staff. Proposals deemed to be incomplete or non-responsive will be determined to be ineligible. Qualified proposals will be considered by a technical review panel, and their recommendations will be forwarded to the State Conservationist for final consideration and project selection.

B. Criteria for Application Evaluation

Peer review panels will use the following criteria to evaluate project proposals:

1. Purpose, Approach, and Goals
 - m. Design and implementation of project based on sound methodology and demonstrated technology.
 - n. Promotes environmental enhancement and protection in conjunction with agricultural production.
 - o. Project outcome is clearly measurable.
 - p. Potential for successful completion.
 - q. Both beneficial and adverse impacts are considered and an acceptably significant level of improvement will be achieved.
2. Innovative Technology or Approach
 - m. Project conforms to description of innovative projects or activities in proposal request announcement.
3. Project Management
 - m. Timeline and milestones are clear and reasonable.
 - n. Project staff has technical expertise needed.
 - o. Budget is adequately explained and justified.
 - p. Experience and capacity to partner with and gain the support of other organizations, institutions and agencies.
4. Transferability
 - m. Potential for producers and landowners to use the innovative technology or technologies.
 - n. Potential to transfer the approach or technology nationally or to a broader audience or other geographic or socio-economic areas, including limited

resource, socially disadvantaged and other traditionally underserved producers and communities.

- o. Potential for NRCS to successfully use the innovative approach or methods.
- p. Project will result in the development of technical or related technology transfer materials (technical standards, technical notes, guide sheets, handbooks, software, etc.).

C. Anticipated Announcement and Award Dates

CIG awards are anticipated to be announced after national CIG awards have been made, probably in July of 2011. All agreements are expected to be awarded by **September 15, 2012**. Funds are not awarded, and work may not start until an agreement is signed by both NRCS and the grantee.

Potential awardees may be contacted to provide additional scheduling information and to clarify project scope and intent, or resolve other issues as needed.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notification

Applicants who have been selected for funding will receive a letter of official notification. However, all selections are contingent upon successful completion of the environmental review process and financial review.

B. Environmental Review Requirements

Upon notification of selection, the applicant must contact the NRCS Environmental Liaison concerning what documentation will need to be prepared for compliance with NEPA and NRCS regulations in order to determine the scope and level of NEPA documentation required for the project. The environmental documentation prepared to meet NEPA requirements must be prepared prior to award of grant funds.

Selected applicants may be required to prepare and pay for the preparation of the appropriate NEPA document if an Environmental Assessment or Environmental Impact Statement is needed. Grant funds cannot be awarded until the environmental review requirements demonstrating compliance with NEPA are met. A list of the NRCS Environmental Liaisons can be found at the following Web address: [Environmental Liaison](#).

C. Grant Agreement

The Commodity Credit Corporation, through NRCS, will use a grant agreement with selected applicants to document participation in the CIG component of EQIP. The official notice will also indicate the need to work with the administrative contact to develop an agreement prior to starting work on the project. The grant agreement will include:

1. Project purpose
2. Project objectives
3. Project deliverables
4. Final project plan listing cooperators in the project and identifying the grant applicant and project manager

5. Project timelines and expected project completion date
6. Project progress and budget reporting requirements
7. Award amount and budget information
8. Information regarding requests for advance of funds or reimbursement
9. Role of NRCS technical oversight in the project
10. Reporting requirements including attendance at NRCS CIG showcase or comparable NRCS event during the period of the grant
11. Changes in project plans
12. Other requirements and terms deemed necessary by the CCC to protect the interests of the United States

VII. AGENCY CONTACTS

CIG Program Contact:

Seth Fiedler
New Mexico CIG Program Manager
Department of Agriculture, Natural Resources Conservation Service
6200 Jefferson St NE
Albuquerque, NM 87109
Phone: (505) 761-4416
Email: seth.fiedler@nm.usda.gov

CIG Administrative Contact:

Bridget Howell
Contracting Officer
6200 Jefferson St NE
Albuquerque, NM 87109
Phone: (505) 761-4485
E-mail: bridget.howell@nm.usda.gov

Additional information about CIG, including fact sheets and frequently asked questions, is available on the USDA NRCS New Mexico state office web page at:
<http://www.nm.nrcs.usda.gov/programs/cig/cig.html>.

Signed this 4th day of April in Albuquerque, NM



J. Xavier Montoya
State Conservationist, Natural Resources Conservation Service

Attachments
(See Required Standard Form)

I. OTHER INFORMATION

CONSERVATION INNOVATION GRANTS FISCAL YEAR 2012 FULL APPLICATION PACKAGE CHECK LIST

- ☐ 1. **Proposal Cover Sheet:** Submit Standard Form 424 Application for Federal Assistance
- ☐ 2. **Project Description:** (10 pages maximum, single-spaced, single-sided, 12 point font)
 - a. Project background
 - b. Project objectives
 - c. Project methods
 - d. Location and size of project area (include a map if possible)
 - e. Producer participation
 - f. Project action plan and timeline
 - g. Project management
 - h. Project deliverables/products
 - i. Benefits or results expected and transferability
 - j. Project evaluation
- ☐ 3. **Assessment of Environmental and Social Impacts**
- ☐ 4. **Budget Information:** Submit a completed Standard Form 424A (SF-424A) Budget Information-Non-Construction Programs.
- ☐ 5. **Budget Narrative:** Submit a detailed budget narrative (maximum of 9 pages).
- ☐ 6. **Matching Information.**
- ☐ 7. **Declaration of Previous CIG Projects Involvement.**
- ☐ 8. **Declaration of Beginning Farmer or Rancher, Limited Farmer or Rancher, or Indian tribe (Special Provisions):** If applicable, include a statement declaring your status as a Beginning Farmer or Rancher, Limited Resource Farmer or Rancher, or Indian tribe, or community-based organization representing these entities.
- ☐ 9. **Declaration Environmental Quality Incentives Program (EQIP) Eligibility:** Include a statement indicating that the proposed project will involve EQIP-eligible producers. Applicants must make a declaration in writing that they, or parties involved in the project, are eligible for EQIP. (If EQIP eligible producers are not involved, the proposal will be considered ineligible.)
- ☐ 10. **State Conservationist Letter of Review:** Include documentation showing that the proposal was sent to the State Conservationist(s).
- ☐ 11. **Certifications:** Complete Standard Form 424B (SF-424B) Assurances-Non-Construction Programs.

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